

## PRACTICE NOTE 2B ISSUED PURSUANT TO THE GUIDELINES ON THE OFFERING OF ISLAMIC SECURITIES

**Issue Date: 6 October 2006**

### **Application of the “Guidelines on the Offering of Islamic Securities” to Foreign Multinational Corporations**

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#### **Introduction**

1. This Note seeks to vary the application of the Guidelines on the Offering of Islamic Securities (“IS Guidelines”) in relation to the issue of, offer for or invitation to subscribe for or purchase, ringgit-denominated Islamic securities (IS) in Malaysia by foreign Multinational Corporations (“MNCs”).
2. For the purpose of this Note, a foreign MNC is an entity formed or incorporated outside Malaysia and has significant operations in two or more countries.

#### **Waiver from various provisions of the IS Guidelines**

3. An entity not falling within the definition of a corporation under paragraph 5 of the IS Guidelines may be deemed an eligible issuer, provided that the entity is a licensed and regulated entity in its home jurisdiction.
4. In complying with the requirement for a rating under paragraph 8 of the IS Guidelines, a rating by an international credit rating agency is acceptable.
5. The provisions on underwriting and minimum level of subscription under paragraph 9 of the IS Guidelines shall not apply to a foreign MNC issuing ringgit-denominated IS.